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DIVISION OF ECONOMIC ANALYSIS AND RESEARCH

LABOR MARKET DIGEST

November 1993

The Labor Market Information Newsletter on Maine Economic Activity

Year-End Nonfarm Employment Review*

Nonfarm wage and salary employment in Maine recorded a slight increase in 1993 after three consecutive years of losses. Increased consumer confidence and lower interest rates led to increased spending and resultant employment growth in several industries. Nonfarm employment growth continued to be restrained by reductions in defense expenditures and restructuring in the means of distributing products to consumers.

Total nonfarm employment increased by 2,400 between 1992 and 1993 to 514,100. The gain was small compared to the average annual gain of 18,000 jobs recorded between 1982 and 1989, but a great improvement over the average job loss of 9,200 jobs between 1989 and 1992.

Goods-Producing Sector

The massive job loss that impacted the goods-producing sector of the economy the last three years ended in 1993. On the strength of a rebound in construction activity, goods-producing employment increased by 600 to 114,000.

Construction — Construction activity in Maine peaked in the latter part of 1988, a precursor to the broader-based downturn that followed a year later. The number of construction jobs fell each year through 1992, the longest and steepest downturn on record. The tide turned in 1993 as the industry generated 1,100 new jobs. The growth was mainly among special trade contractors and in heavy construction.

This upturn in construction may be a significant development. Swings in the level of construction activity often lead broader trends, and increases in construction often spur spending for other products and services.

Manufacturing — Manufacturing employment declined by 400 over the year to 92,300. The job losses were concentrated in the transportation equipment, electrical and electronic equipment, and paper industries, where 800, 400, and 200 jobs were lost, respectively. The losses in transportation equipment were mainly due to cutbacks in naval shipbuilding.

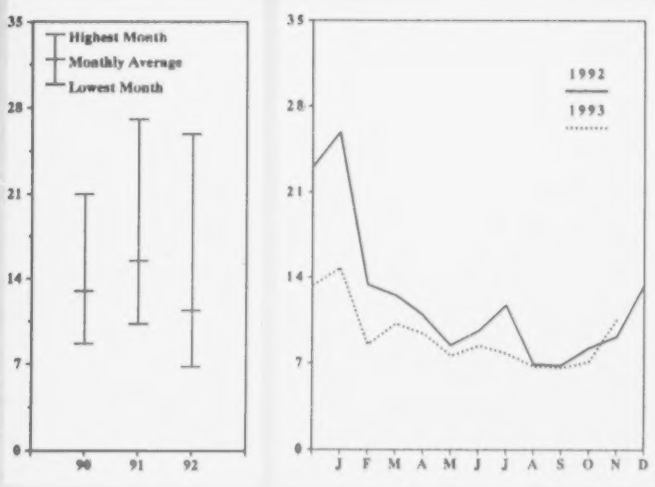
Small job gains were recorded in the textile, apparel, and leather products industries, reversing more than ten years of consistent losses. Employment in most other manufacturing industries was little changed over the year.

Service-Producing Sector

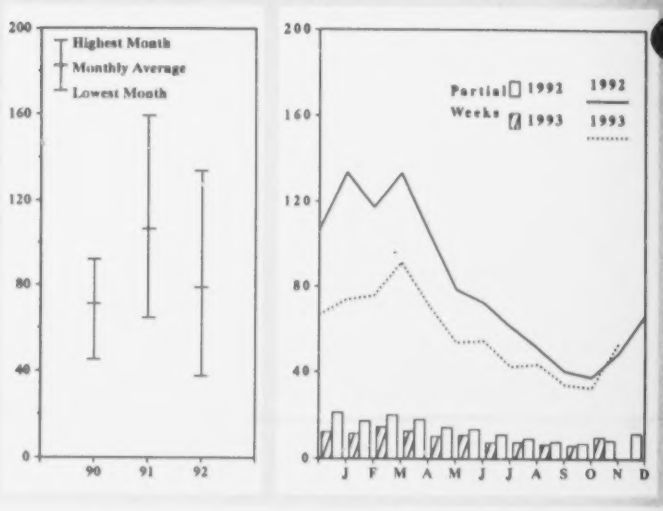
Employment in the service-producing sector of the economy increased by 1,800 to 400,200 in 1993. The growth was concentrated in retail trade and services.

(continued on page 2)

UI Initial Claims
in Thousands



UI Intrastate Weeks Claimed
in Thousands



Transportation, Communication, and Public Utilities — The number of jobs in this industry division declined by 500 over the year, mainly in the motor freight and warehousing industry due to the closure of a trucking company.

Wholesale Trade — Employment in wholesale trade fell by 700, the fifth consecutive year of decline. The restructuring that has engulfed the U.S. economy has squeezed wholesalers out of a number of product categories as manufacturers and retailers increasingly deal directly with each other, bypassing intermediaries. This trend is driven by two factors: deregulation of trucking which dramatically reduced the cost of transporting small loads; and modern computer technology which is revolutionizing the way businesses manage inventories, place orders, and plan production.

Retail Trade — Retail trade employment was up 2,100 over the year to 106,600, as pent-up demand after three years of stagnation boosted retail sales. General merchandise stores, eating and drinking places, automobile dealers and service stations, and building material and hardware stores added 1,200, 1,100, 600, and 300 jobs to their payrolls, respectively. Miscellaneous retail trade, an industry which includes drug stores, liquor stores, used merchandise stores, book stores, hobby shops, catalog and mail-order houses, and fuel dealers, offset some of these gains as employment fell by 1,100.

Finance, Insurance, and Real Estate — Employment in this division declined by 100 over the year. Small job losses in depository institutions and the insurance industry were partially offset by an additional 200 wage and salary jobs in real estate.

Services — The number of jobs in the services industry division increased by 2,400 over the year to 132,000. Most of that growth was in health services (+900 jobs), social services (+700 jobs), and motion pictures and amusement and recreation services (+500 jobs). The rapid growth in health services is consistent with the trend of recent years as demographic trends and technological advances drive the demand for health care higher.

Government — Cutbacks at the Portsmouth Naval Shipyard in Kittery reduced federal government employment by 1,600. State government employment increased by 400, mostly in education. Those gains were partially offset by the loss of 200 local government jobs.

**All 1992 and 1993 numbers are January through November averages.*

by Glenn A. Mills
Senior Economic Research Analyst

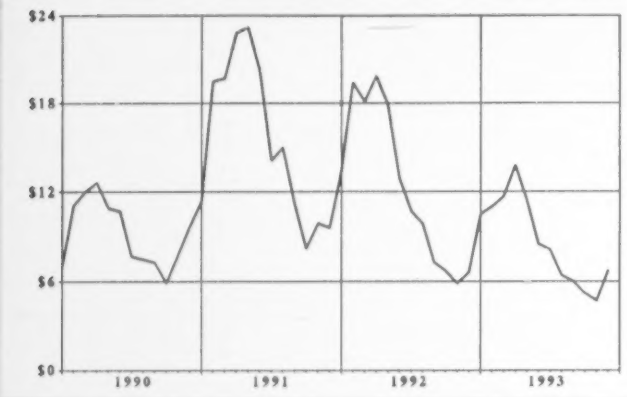
Selected Employment Security Activities

MAINE JOB SERVICE

Unemployment Insurance Benefit Payments

In Millions

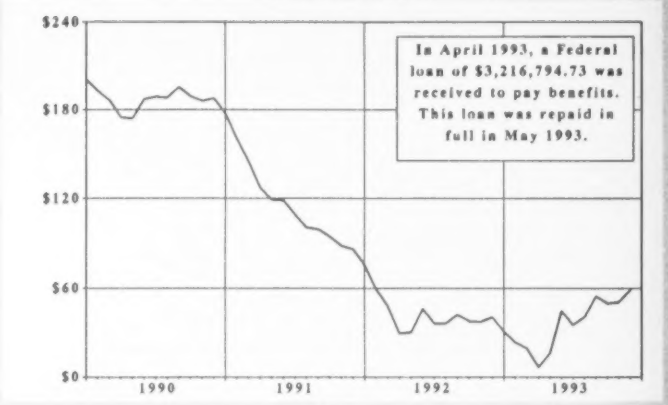
(Total Includes Maine's Portion of Extended Benefits)



Unemployment Compensation Fund Balance

In Millions

(End of Month)



Earnings and Workweek of Production Workers in Manufacturing Industries

AREA AND INDUSTRY	AVERAGE WEEKLY EARNINGS This Month	Last Month	Year Ago	AVERAGE WEEKLY HOURS This Month	Last Month	Year Ago	AVERAGE HOURLY EARNINGS This Month	Last Month	Year Ago	ANNUAL AVERAGE HOURLY EARNINGS 1990	1991	1992
STATEWIDE												
Manufacturing	$479.64	$482.04	$465.35	41.1	41.2	40.5	$11.67	$11.70	$11.49	$10.58	$11.08	$11.38
Durable Goods	470.76	474.78	445.01	40.9	41.0	40.2	11.51	11.58	11.07	10.20	10.61	11.14
Lumber and Wood Products	384.38	382.59	375.03	41.6	40.4	40.5	9.24	9.47	9.26	9.10	8.97	9.25
Primary and Fabricated Metals	525.54	522.73	445.42	46.1	46.3	42.3	11.40	11.29	10.53	9.98	10.18	10.45
Industrial Machinery and Equipment	569.84	575.37	542.41	43.8	42.4	41.5	13.01	13.57	13.07	11.63	12.43	12.82
Electronic and Other Electric Equipment	424.76	422.06	407.20	40.3	40.7	40.0	10.54	10.37	10.18	9.69	9.91	10.02
Transportation Equipment	584.37	596.04	533.50	38.7	40.3	38.8	15.10	14.79	13.75	11.68	12.55	14.09
Other Durable Goods	353.13	360.38	359.10	39.5	39.3	40.9	8.94	9.17	8.78	8.11	8.57	8.86
Nondurable Goods	486.57	488.11	482.26	41.2	41.4	40.8	11.81	11.79	11.82	10.93	11.48	11.57
Food and Kindred Products	338.92	333.98	342.98	37.0	36.5	36.8	9.16	9.15	9.32	8.56	8.76	9.15
Textile Mill Products	417.06	415.34	398.13	42.0	43.4	41.3	9.93	9.57	9.64	8.82	8.82	9.03
Apparel and Other Textile Products	314.11	304.67	292.38	38.4	37.8	33.0	8.18	8.06	8.86	7.38	7.28	7.65
Paper and Allied Products	740.52	758.73	738.00	44.0	44.5	45.0	16.83	17.05	16.40	15.16	16.06	16.25
Leather and Leather Products	323.21	319.20	310.45	40.2	39.9	39.7	8.04	8.00	7.82	7.44	7.82	7.92
Other Nondurable Goods	422.91	423.54	407.40	40.9	41.2	39.4	10.34	10.28	10.34	9.62	9.85	10.07
PORTLAND MSA												
Manufacturing	421.50	416.70	411.06	39.1	39.2	39.0	10.78	10.63	10.54	10.63	10.45	10.55
LEWISTON.AUBURN MSA												
Manufacturing	435.56	415.25	379.86	43.6	43.3	41.2	9.99	9.59	9.22	9.26	9.33	9.53

Female Labor Force in Maine

In Thousands

ITEM[1/]	This Month	Last Month	Year Ago
Labor Force	302.8	315.7	305.1
Unemployment	21.5	18.7	23.5
(Percent)	7.1%	5.9%	7.7%
Resident Employed	281.3	297.0	281.6

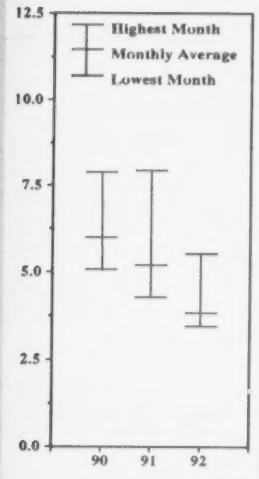
U.S. Consumer Price Index

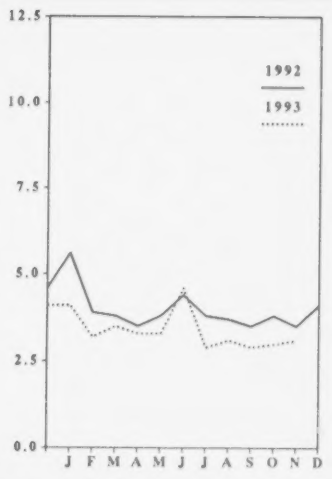
BASE PERIOD (1982-1984 = 100) All Items (CPI-U)	This Month	Last Month	Year Ago	Last Dec.
	145.8	145.7	142.0	141.9

Percent Change for Past Month	+0.1%
Percent Change from Last December	+2.7%
Percent Change from 12 Months Ago	+2.7%

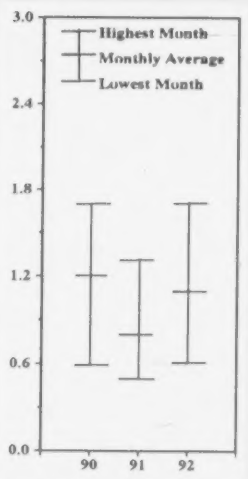
1/ Current figures preliminary; last month and year ago figures revised.
Source: Female labor force estimates are developed by, and solely the responsibility of, the Maine Division of Economic Analysis and Research.

New Applications For Work
in Thousands





Nonfarm Placements
in Thousands
(Excludes Placements of Less than Three Days Duration)



Nonfarm Wage and Salary Employment by Place of Work (in Thousands)

ITEM	STATEWIDE			PORTLAND MSA			LEWISTON-AUBURN MSA		
	THIS MONTH	LAST MONTH	YEAR AGO	THIS MONTH	LAST MONTH	YEAR AGO	THIS MONTH	LAST MONTH	YEAR AGO
Nonfarm Wage and Salary Employment 1/	526.5	530.7	521.7	127.1	126.6	123.6	40.1	39.8	38.5
Goods Producing	116.6	117.3	115.8	18.8	18.9	17.9	9.8	9.8	9.6
Construction and Mining	23.1	23.9	22.7	5.7	5.7	5.4	1.5	1.5	1.6
Building Construction	5.6	5.6	5.3	1.3	1.2	1.3	n/a	n/a	n/a
Special Trade Contractors	12.9	13.2	12.9	3.7	3.8	3.6	n/a	n/a	n/a
Manufacturing	93.5	93.4	93.1	13.1	13.2	12.5	8.3	8.3	8.0
Durable Goods	41.8	41.4	41.9	5.6	5.7	5.3	2.2	2.2	2.2
Lumber and Wood Products	11.1	11.1	10.8	n/a	n/a	n/a	n/a	n/a	n/a
Primary and Fabricated Metals	3.2	3.2	3.2	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Machinery and Equipment	4.0	3.9	3.7	1.0	1.0	1.0	n/a	n/a	n/a
Electronic and other Elect. Equip.	6.6	6.6	6.9	2.0	2.0	2.3	n/a	n/a	n/a
Transportation Equipment	12.3	12.2	13.1	(d)	(d)	(d)	n/a	n/a	n/a
Other Durable Goods 2/	4.6	4.4	4.2	2.6	2.7	2.0	n/a	n/a	n/a
Nondurable Goods	51.7	52.0	51.2	7.5	7.5	7.2	6.1	6.1	5.8
Food and Kindred Products	6.7	6.9	6.7	2.0	2.0	1.9	n/a	n/a	n/a
Textile Mill Products	5.4	5.4	5.1	(d)	(d)	(d)	n/a	n/a	n/a
Apparel and Other Textile Products	3.2	3.2	3.1	n/a	n/a	n/a	n/a	n/a	n/a
Paper and Allied Products	16.2	16.1	16.6	(d)	(d)	(d)	n/a	n/a	n/a
Printing and Publishing	5.3	5.3	5.2	1.5	1.6	1.5	n/a	n/a	n/a
Rubber and Misc. Plastic Products	3.0	3.1	2.9	n/a	n/a	n/a	n/a	n/a	n/a
Leather and Leather Products	10.4	10.4	10.0	1.3	1.3	1.1	1.8	1.8	1.8
Footwear (except Rubber)	8.5	8.5	8.3	n/a	n/a	n/a	n/a	n/a	n/a
Other Nondurable Goods 3/	1.5	1.6	1.6	2.7	2.6	2.7	4.3	4.3	4.0
Service Producing	409.9	413.4	405.9	108.3	107.7	105.7	30.3	30.0	28.9
Transportation and Public Utilities	20.6	20.7	21.4	5.6	5.7	5.7	1.4	1.4	1.3
Wholesale Trade	22.6	22.6	23.0	8.4	8.3	8.3	2.0	2.0	1.9
Retail Trade	110.5	111.6	110.7	31.4	31.1	30.2	9.0	8.7	8.6
General Merchandise Stores	12.7	11.9	12.6	n/a	n/a	n/a	n/a	n/a	n/a
Food Stores	18.7	19.6	18.2	n/a	n/a	n/a	n/a	n/a	n/a
Eating and Drinking Places	32.8	35.5	32.2	7.8	8.0	7.6	n/a	n/a	n/a
Finance, Insurance, and Real Estate	24.6	24.6	23.7	11.7	11.7	11.7	2.0	2.0	1.9
Banking	8.8	8.8	8.6	n/a	n/a	n/a	n/a	n/a	n/a
Insurance Carriers, Brokers and Agents	10.7	10.6	10.6	n/a	n/a	n/a	n/a	n/a	n/a
Services	133.8	137.3	128.3	34.4	34.3	32.9	11.5	11.5	10.7
Hotels and Other Lodging Places	8.6	11.2	8.0	n/a	n/a	n/a	n/a	n/a	n/a
Business Services	13.4	13.7	13.1	n/a	n/a	n/a	n/a	n/a	n/a
Health Services	48.9	48.9	47.9	n/a	n/a	n/a	n/a	n/a	n/a
Federal Government	15.0	15.1	16.3	2.1	2.1	2.2	0.3	0.3	0.3
State Government	28.7	28.4	29.1	5.0	5.0	4.8	0.7	0.7	0.7
Local Government	54.1	53.1	53.4	9.7	9.5	9.9	3.4	3.4	3.5
Involved in Labor-Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1/ Employment figures relate to full- and part-time wage and salary workers in pay periods including the 12th of the month. Domestic workers in private households, proprietors, self-employed, and unpaid family workers are excluded. 2/ Includes Standard Industrial Classification (SIC) codes: Statewide - 25, 32, 38, 39; Portland - 24, 25, 32, 33, 34, 37, 38, 39. 3/ Includes SIC codes: Statewide - 28, 29; Portland - 20, 22, 23, 26, 30; Lewiston - 20, 22, 23, 26, 27. 4/ Regular teachers are included in summer months whether or not specifically paid in those months. n/a - data not available in sufficient detail for publication. * Less than 50. (d) Nondisclosure item. Source: Nonfarm wage and salary employment by place of work and earnings, and workweek of production workers in manufacturing industries are developed by the Maine Division of Economic Analysis and Research in cooperation with the U.S. Bureau of Labor Statistics.

Labor Force, Employment and Unemployment

AREA 1/	LABOR FORCE 2/ This Month	LABOR FORCE 2/ Last Month	LABOR FORCE 2/ Year Ago	RESIDENT EMPLOYED This Month	RESIDENT EMPLOYED Last Month	RESIDENT EMPLOYED Year Ago	UNEMPLOYMENT Number This Month	UNEMPLOYMENT Number Last Month	UNEMPLOYMENT Number Year Ago	UNEMPLOYMENT Percent of Labor Force This Month	UNEMPLOYMENT Percent of Labor Force Last Month	UNEMPLOYMENT Percent of Labor Force Year Ago
MAINE-STATEWIDE(000)	643.1	658.0	656.1	591.5	615.3	609.8	51.6	42.6	46.3	8.0	6.5	7.1
MAJOR LABOR MARKET												
Bangor MSA	48,400	49,100	47,800	45,200	46,500	45,200	3,200	2,600	2,600	6.6	5.3	5.4
Lewiston-Auburn MSA	44,400	44,900	44,800	40,600	41,500	40,900	3,800	3,400	3,900	8.7	7.5	8.7
Portland MSA	135,000	137,100	136,900	128,000	130,900	130,500	7,000	6,200	6,400	5.2	4.6	4.6
Portsmouth-Dover-Rochester MSA	143,800	142,400	140,900	137,900	136,400	133,300	6,000	6,000	7,600	4.1	4.2	5.4
OTHER LABOR MARKETS												
Augusta	36,080	36,740	38,050	33,620	34,550	35,720	2,460	2,180	2,340	6.8	5.9	6.1
Bath-Brunswick	30,970	31,380	33,390	29,200	30,010	31,780	1,770	1,370	1,610	5.7	4.4	4.8
Belfast	12,970	13,180	13,070	11,380	11,890	11,760	1,590	1,300	1,310	12.3	9.8	10.0
Biddeford	27,110	28,060	28,260	24,780	25,990	25,830	2,330	2,070	2,430	8.6	7.4	8.6
Boothbay Harbor-Wiscasset	16,560	18,100	16,730	15,500	17,240	15,670	1,070	860	1,060	6.4	4.7	6.3
Calais-Eastport	16,330	16,420	16,670	14,320	14,580	14,960	2,010	1,840	1,710	12.3	11.2	10.2
Caribou-Presque Isle	21,900	22,370	22,690	19,010	20,050	20,170	2,890	2,320	2,520	13.2	10.4	11.1
Central Penobscot	3,720	3,600	3,630	3,320	3,290	3,340	410	310	300	10.9	8.7	8.1
Dover-Foxcroft	7,110	7,260	7,400	6,430	6,680	6,770	680	570	630	9.6	7.9	8.5
Ellsworth	26,420	28,230	26,740	23,790	26,660	24,610	2,630	1,570	2,130	10.0	5.6	8.0
Farmington	14,070	14,430	14,560	12,850	13,340	13,370	1,220	1,090	1,190	8.7	7.5	8.2
Fort Kent-Allagash	5,800	6,200	6,040	5,230	5,630	5,490	560	570	550	9.7	9.2	9.2
Greenville	1,170	1,230	1,310	1,030	1,140	1,180	140	90	130	11.7	7.1	10.2
Houlton	6,910	7,290	7,010	6,340	6,830	6,590	570	460	420	8.2	6.3	6.0
Kittery-York 3/	30,410	30,780	30,890	29,090	29,910	29,680	1,320	870	1,210	4.3	2.8	3.9
Lincoln-Howland	5,320	5,380	5,530	4,670	4,840	5,070	660	540	460	12.4	10.0	8.2
Livermore Falls	6,030	6,300	6,340	5,500	5,840	5,770	530	460	570	8.8	7.3	8.9
Madawaska-Van Buren	4,150	4,380	4,450	3,700	4,030	4,030	450	350	430	10.8	7.9	9.6
Millinocket-East Millinocket	4,020	4,140	4,120	3,640	3,770	3,770	380	370	350	9.5	9.0	8.4
Norway-Paris	12,940	13,340	12,870	11,610	12,040	11,580	1,330	1,300	1,290	10.3	9.8	10.0
Patten-Island Falls	2,770	2,930	2,840	2,460	2,680	2,570	310	250	260	11.3	8.5	9.3
Rockland	20,750	21,320	20,370	19,070	20,310	19,130	1,670	1,010	1,240	8.1	4.7	6.1
Rumford	9,110	8,970	9,640	8,000	8,140	8,730	1,110	830	910	12.2	9.2	9.4
Sanford	16,880	16,780	17,280	15,140	15,450	15,660	1,730	1,340	1,620	10.3	8.0	9.4
Sebago Lakes Region	12,350	13,530	12,820	11,230	12,610	11,880	1,120	920	940	9.1	6.8	7.3
Skowhegan	26,550	27,330	25,870	23,600	24,860	23,390	2,950	2,470	2,480	11.1	9.0	9.6
Southwest Penobscot	11,190	11,140	11,110	9,640	9,920	9,650	1,550	1,220	1,460	13.8	11.0	13.1
Waterville	25,680	26,100	27,050	23,590	24,230	25,110	2,090	1,880	1,940	8.1	7.2	7.2
OTHER NEW ENGLAND STATES (000)												
Connecticut	n/a	n/a	1,786.3	n/a	n/a	1,660.4	n/a	n/a	125.9	n/a	n/a	7.0
Massachusetts	3,140.0	3,148.0	3,113.0	2,948.0	2,954.0	2,855.0	192.0	194.0	257.0	6.1	6.2	8.3
New Hampshire	652.1	646.7	645.3	617.8	608.8	598.1	34.3	37.9	47.3	5.3	5.9	7.3
Rhode Island	517.5	516.5	526.4	480.5	480.9	484.7	37.0	35.7	41.7	7.1	6.9	7.9
Vermont	327.4	329.4	329.3	313.9	317.3	309.9	13.6	12.1	19.4	4.1	3.7	5.9
NEW ENGLAND STATES (000)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
UNITED STATES (000)	128,521	128,547	127,087	120,632	120,446	118,239	7,890	8,101	8,848	6.1	6.3	7.0

Footnotes

1/ Labor force, employment, and unemployment data for all areas are by place of residence and are not seasonally adjusted. Estimates made independently for each labor market area have been benchmarked to and extrapolated from the Current Population Survey estimates for the state. All data exclude members of the Armed Forces. Data are rounded for publishing purposes. Employment and unemployment may not add to labor force due to rounding. MSA - Metropolitan Statistical Area. n/a indicates that the information was not available at the time of printing.

2/ Current estimates preliminary. Last month and year ago estimates revised.

3/ Kittery-York is the eight-town Maine portion of the Portsmouth-Dover-Rochester MSA which includes towns in both Maine and New Hampshire.

Source: These data are developed by the Maine Division of Economic Analysis and Research in cooperation with the U.S. Bureau of Labor Statistics.

Mid-Month Insured Unemployment

ITEM	STATEWIDE This Month	STATEWIDE Last Month	STATEWIDE Year Ago	PORTLAND MSA This Month	PORTLAND MSA Last Month	PORTLAND MSA Year Ago	LEWISTON-AUBURN MSA This Month	LEWISTON-AUBURN MSA Last Month	LEWISTON-AUBURN MSA Year Ago
Number of continued-week claimants*	10,481	7,366	11,098	1,546	1,336	1,581	713	523	833

Continued-week claimants are less partials for week including the 12th of the month.

Civilian Labor Force and Nonfarm Wage and Salary Employment in Maine

Seasonally Adjusted in Thousands

ITEM	1992		1993										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct.	Nov
Civilian Labor Force 1/	663.7	659.9	662.0	654.0	657.4	652.1	652.6	652.6	647.1	654.8	654.7	660.5	649.8
Resident Employment	616.8	612.3	611.6	600.7	602.9	598.9	600.8	596.4	599.0	605.0	603.9	609.2	596.9
Unemployment	46.9	47.6	50.5	53.3	54.5	53.3	51.9	56.0	48.1	49.8	50.8	51.3	52.9
Percent of Labor Force	7.1	7.2	7.6	8.2	8.3	8.2	7.9	8.6	7.4	7.6	7.8	7.8	8.1
Nonfarm Wage and Salary Employment 2/	515.6	513.9	519.1	519.6	517.0	514.4	511.9	507.3	507.2	509.7	512.7	519.4	520.2
Construction	21.4	21.9	23.5	23.4	23.1	22.7	21.8	21.3	21.7	21.0	21.3	21.1	21.7
Manufacturing, Durable Goods	41.0	41.0	41.4	41.4	40.9	40.8	40.9	40.2	40.1	40.1	40.1	40.6	40.9
Manufacturing, Nondurable Goods	51.0	50.2	51.5	51.2	50.9	51.5	51.1	51.1	51.0	51.5	51.1	51.6	51.4
Transportation and Public Utilities	21.3	21.2	21.7	21.3	21.6	21.4	20.9	20.8	20.5	20.8	20.4	20.4	20.5
Wholesale Trade	23.0	22.9	22.5	22.5	22.4	22.6	22.5	22.0	22.1	21.9	22.2	22.5	22.6
Retail Trade	109.0	108.3	108.1	109.1	107.4	106.8	106.1	103.8	104.0	105.4	106.8	108.5	108.7
Finance, Insurance, and Real Estate	23.9	23.9	24.0	24.0	23.9	23.9	24.3	24.3	24.2	24.5	24.3	24.7	24.8
Services	130.3	130.0	131.4	131.2	130.9	30.1	129.9	129.7	130.3	130.5	132.9	135.7	135.8
Government	94.6	94.4	94.9	95.4	95.8	94.6	94.4	94.0	93.2	94.0	93.5	94.2	93.7

1/ Place of residence. 2/ Place of work.

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